GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:65
ANSWERED ON:09.07.2004
PARTICIPATION IN DEVELOPMENT CONSTRUCTION OF AIRPORTS
Chauhan Shri Nihal Chand;Krishnadas Shri N.N.

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government propose to allow participation of private Indian and foreign companies in the development/construction of our Airports;

(b) if so, the details thereof;

(c) whether there is any move to open up the domestic Air service to foreign Airline companies;

(d) if so, the details thereof; and

(e) the names of airports developed in the country during last three years, State-wise and those proposed for in the near future?

Answer

MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b), (c), (d) & (e) : A Statement is laid on the Table of the House.

Statement in reply to parts (a), (b), (c), (d) & (e) of the Lok Sabha Starred Question No.65 for answer on 09.07.2004 regarding Participation in Development / Construction of Airports.

(a):Yes, Sir.

(b):- As per `Policy on Airport Infrastructure` of 1997 foreign equity participation upto 74% in airport projects, is permitted through the automatic approval route and upto 100% which special permission.

However, as far as restructuring process of Delhi and Mumbai airports is concerned, maximum permissible limit of Foreign Direct Investment (FDI)in the proposed Joint Venture Company has been limited to 49% only. Airports Authority of India (AAI) and other Government of India Public Sector Undertakings will hold 26% equity. Remaining 25% equity will be held by Indian entities (Indian Companies). For this purpose, the Indian company is defined as a company incorporated in India and 100% owned by Indian entities.

(c):- There is no proposal at present to open up domestic air service to foreign airline companies.

(d):- Does not arise.

(e):- Several airports in various states have been developed /upgraded /modernised during the last three years and include those in Andhra Pradesh, Assam, Bihar, Delhi, Gujarat, Jammu & Kashmir, Kerala, Maharashtra, Nagaland, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal. There are several airports which are proposed to be developed /upgraded/ modernised during the 10th five year plan in various states of India.